

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-XX51

Date of Decision: 25/07/2021

Party Details

Customer: The Customer

Company: The Company

Complaint

The customer says that he has experienced poor customer service and the company has improperly placed negative markings on his credit file.

Response

The company says that the negative markings were correctly placed, reflecting late payment by the customer.

No offer of settlement has been made.

Findings

The company failed to provide its services to the customer to the standard to be reasonably expected by the average person with respect to negative markings placed on the customer's credit file for September and October 2020.

Outcome

The company needs to take the following further action: It must make all reasonable efforts to have removed from the customer's credit file all negative reporting relating to this debt from September and October 2020. In addition, the company must pay the customer compensation of £100.00.

The customer must reply by 23/08/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

The customer's complaint is that: • He notified the company in June 2019 that he had purchased the Property. • However, he did not move into the Property until August 2020. • The company had been notified that he was not moving into the Property because it was being renovated. • He requested that communications be sent to an alternative address, although he received no response from the company to this request. • He denies having received communications from the company about charges relating to the Property. • If he had been aware of the charges he would have paid them immediately. • The company placed negative markings on his credit file, which have significantly impacted him and his family. • The company has reported a late payment for a period in which he was paying by direct debit. • He argues that the company has not acted fairly. • He requests that the company apologise, improve its approach to billing, remove all negative markings from his credit report, and pay total compensation of £10,000.00. The customer's comments on the company's response are that: • While the company insists that communications were sent, he denies that they were received. • He has not denied responsibility for the bill. • He was told that everything would be resolved if he paid the balance in full, but the company has not produced the phone call in which this was said, despite his request that it do so.

The company's response is that:

The company's response is that: • The customer completed an online web form on 3 July 2019 to notify the company that he had taken over the Property in June 2019. • A meter reading was provided, and the customer confirmed that the Property was being renovated. • On that web form the customer confirmed that the address of the Property could be used to communicate with him. • The customer was sent a Welcome Letter on 9 July 2019. • Charges remain payable on a Property during renovation. • Bills and payment reminders were sent to the customer at the Property, and several SMS notifications were sent to the contact number provided by the customer. • A bill was issued to the customer on 27 September 2019. • Payment was received on 11 January 2020, after several reminder communications by letter and SMS. • A bill was issued on 12 March 2020. • After several reminder notifications by letter and SMS, the customer got in touch in August 2020 and arranged to pay the charges through a direct debit of £26.00 per month. • On 24 November 2020, the customer paid the full amount outstanding. • Late payment markings were correctly placed on the customer's credit

file for November and December 2019, and for May to October 2020. • The bills issued included actual usage, indicating that the company's services were being used at the Property. • This indicates that someone was at least intermittently at the Property, so communications sent to the Property could have been received.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

- Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
- Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

I have carefully considered all of the evidence provided. If I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

How was this decision reached?

1. The customer emphasises that he does not deny liability for the bills sent by the company. However, he argues that the company did not make reasonable efforts to contact him prior to placing negative markings on his credit file, and that the company has not acted fairly in its handling of his case.
2. While I acknowledge that, as the customer argues, he has paid the bills presented by the company, the customer has not contended that the company is inaccurately reporting that the amount remains outstanding. Rather, the customer challenges the company's decision to place markings on his credit file stating that he was in two periods late in making payments. The customer does not deny that the payments were late, but argues extenuating circumstances that he believes make the negative reporting by the company inappropriate.
3. The customer argues that he did not receive the bills presented the company as they were sent to the Property, which was being renovated, rather than to his actual address at the time. However, the company has satisfactorily established that when the customer took over responsibility for the Property he confirmed to the company that it could communicate with him by sending letters to the Property.

Because of this, even if it is accepted that the customer did not actually receive the letters sent by the company, this was not through any fault of the company, which used the method of communication chosen by the customer.

4. The customer has stated that he requested communications be sent to an alternative address, but he has produced no evidence of this request.

5. In addition, the company has also demonstrated that it contacted the customer through SMS, using the number provided by the customer, and this method of communication would have been unaffected by whether or not the customer actually resided at the Property.

6. Finally, I note that the customer made a payment to the company in January 2020. This establishes that as of at least that date, the customer was aware that charges were being incurred at the Property. It also establishes that either the customer had been successfully contacted by the company, or the customer was aware as of that date that he was not receiving billing communications that the company was sending. As a result, either the customer was receiving at least some of the communications from the company, and so was informed of the amounts owed, or he was aware that he needed to update his contact details with the company, but then did not do so.

7. Ultimately, as the customer acknowledges, he was liable for charges at the Property even though the Property was being renovated. For the reasons given above, I also find that the company acted appropriately in sending communications to the address chosen by the customer for that purpose, and that the customer either received at least some of those communications or as of January 2020 at the latest was aware that he was not receiving communications being sent by the company.

8. I do not, therefore, find that the customer has established that extenuating circumstances existed that would have made the company's accurate reporting of late payment by the customer a failure by the company to provide its services to the customer to the standard to be reasonably expected by the average person.

9. Nonetheless, the company has acknowledged that the customer made contact in August 2020 and agreed a monthly payment plan. The documentation provided by the company then shows the customer making the payments scheduled under that plan. The company has, however, confirmed that it reported the customer as being late in making payments in both September and October 2020, until the customer paid the full amount outstanding in November 2020.

10. Based on the customer's clear concern about his credit file, the relatively low amount due, and that the customer paid the full amount due quickly once it became

clear that the company was continuing to report his payments as late despite a payment plan being agreed and adhered to, I find that the company more likely than not failed to warn the customer that it would continue to report his payments as late, due to the outstanding debt, even if he made the payments required by the payment plan. I also find that this constituted a failure by the company to provide its services to the customer to the standard to be reasonably expected by the average person, as I find that it is more likely than not that had this information been given to the customer in August 2020, he would have paid the full amount due at that time.

11. In its comments on the Proposed Decision in this case, the company argued that a “more likely than not” standard, as referenced in the preceding paragraph, reflects “a supposition and does not establish or prove the balance of probability”. It should be emphasised, therefore, that “more likely than not” is a common means of referencing the “balance of probabilities” standard, and is used so here.

12. The company also argued in its comments that it accurately reported that the customer remained late in making payments in September and October 2020. However, while it is true that the customer remained late in his payments, I have found above that this was due to a failing by the company, which left the customer believing that he was now making payments on time. The company argued that “It’s unreasonable to expect us to address issues the Customer doesn’t raise, unconnected with the reason for the call - i.e., setting up a payment plan”, however the company is in a privileged position to know the actions it will be taking and it uses the mechanism of reporting to credit agencies as a means of incentivising customers to pay overdue amounts. The company, that is, had every right to continue to report the customer as late in making payments he was obligated to make, despite a payment plan being in place, but not if it acted in a way that left the customer with the reasonable belief that he was indeed now making the agreed payments. If the company had clarified to the customer that it would continue to report him as making late payments, and he nonetheless agreed to the payment plan, this would have resolved the issue. But failing to highlight this fact to the customer, which the company was in a privileged position to know, constituted a failure by the company to provide its services to the customer to the standard to be reasonably expected by the average person.

13. In his comments on the Proposed Decision in this case, the customer argued that the Decision did not address a “30th May 2019 delayed payment mark” that he argues was incorrectly placed on his credit file by the company. As a matter relating to his credit file, that element of the customer’s complaint was included in the finding that the available evidence only justified alteration of the September and October 2020 records, however I accept that an explicit explanation would be

appropriate.

14. In its response on this point to CCWater, the company emphasised that it had no records of the error to which the customer refers. In his application to WATRS the customer has provided no evidence that the company's statement was incorrect, or offered argument to explain why the company's analysis of the available evidence reflected a failure to provide its services to the company to the standard to be reasonably expected by the average person.

15. While the customer stated in his comments on the company's Defence that he believes that the company acted unacceptably in referring the customer to Experian to have the issue addressed, the customer has produced no evidence that he contacted Experian, which confirmed that the record reflected information provided by the company, rather than an error by Experian. Absent evidence conflicting with that relied upon by the company, or supporting a finding that any error resulted from the company failing to provide its services to the customer to the standard to be reasonably expected by the average person, the customer's claim in this respect cannot succeed.

16. The company must, therefore, make all reasonable efforts to have removed from the customer's credit file all negative reporting relating to this debt from September and October 2020. It may, however, leave the remaining negative markings on the customer's credit file, as I find that they were accurate and appropriately reported. In addition, the company must pay the customer compensation of £100.00 for the distress that I accept the customer experienced when the company continued to place negative markings on his credit report despite the payments agreed under the payment plan being made.

Outcome

1. The company needs to take the following further actions: It must make all reasonable efforts to have removed from the customer's credit file all negative reporting relating to this debt from September and October 2020. In addition, the company must pay the customer compensation of £100.00.

What happens next?

This adjudication decision is final and cannot be appealed or amended.

The customer must reply within 20 working days to accept or reject this final decision.

When you tell WATRS that you accept or reject the decision, the company will be notified of this. The case will then be closed.

If you do not tell WATRS that you accept or reject the decision, this will be taken to be

a rejection of the decision.

- If you choose to accept this decision, the company will have to do what I have directed within 20 working days of the date in which WATRS notifies the company that you have accepted my decision. If the company does not do what I have directed within this time limit, you should let WATRS know.
- If you choose to reject this decision, WATRS will close the case and the company will not have to do what I have directed.
- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision. WATRS will therefore close the case and the company will not have to do what I have directed.

Tony Cole
Adjudicator